

Message Text

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ACTION DLOS-07

INFO OCT-01 ISO-00 AF-10 ARA-16 EA-11 EUR-25 NEA-14 RSC-01

CG-00 CIAE-00 DODE-00 PM-07 H-03 INR-11 L-03 NSAE-00

NSC-07 PA-04 PRS-01 SP-03 SS-20 USIA-15 FEA-02 AID-20

CEQ-02 COA-02 COME-00 EB-11 EPA-04 IO-14 NSF-04

SCI-06 ACDA-19 AEC-11 AGR-20 DOTE-00 FMC-04 INT-08

JUSE-00 OMB-01 CIEP-02 CEA-02 OIC-04 TRSE-00 DRC-01

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R 222051Z JUL 74

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC 4889

INFO AMEMBASSY BOGOTA

AMEMBASSY BONN

AMEMBASSY DACCA

AMEMBASSY LONDON

AMEMBASSY NAIROBI

AMEMBASSY PARIS

AMEMBASSY TOKYO

UNCLAS CARACAS 6880

FROM US DEL LOS

EO 11652: NA

TAGS: PLOS

SUBJECT: DAILY REPORT, COMMITTEE I, JULY 15 AND 16

1. COMMITTEE I (C-1) CONTINUED GENERAL DEBATE IN ONE
SESSION JULY 15 AND TWO SESSIONS JULY 16. STATEMENTS WERE
DELIVERED BY JAPAN, CUBA, NIGERIA, FRG, URUGUAY, UK,
JAMAICA, AUSTRIA, POLAND, ROMANIA, COLUMBIA, KENYA,
MADAGASCAR, SWITZERLAND, SWEDEN, LIBERIA, THAILAND,
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BANGLADESH, NEPAL, DENMARK, FRANCE, PHILIPPINES, ISRAEL,

BURMA, ICELAND AND REPRESENTATIVE OF WORLD FEDERATION OF UNITED NATIONS ASSOCIATIONS. IN ADDITION, UNCTAD REPRESENTATIVE ADDRESSED C-1 ON QUESTIONS OF ECONOMIC IMPLICATIONS AND ANSWERED SEVERAL QUESTIONS FROM DELS.

2. FRG AND JAPANESE STATEMENTS CONSISTED STRONG DEFENSE OF LICENSING SYSTEM, ALTHOUGH FRG DID NOT ACTUALLY USE TERM "LICENSE". BOTH DELS SUGGESTED THAT LDC'S COULD BETTER PARTICIPATE IN BENEFITS FROM EXPLOITATION BY INDIVIDUALLY FORMING JOINT VENTURES WITH PRIVATE COMPANIES RATHER THAN THROUGH ENTERPRISE. FRG IN PARTICULAR MENTIONED THAT IT WOULD BE POSSIBLE TO LOCATE NODULE PROCESSING PLANTS IN LDC'S. THEY ALSO LISTED TYPES OF REGULATORY PROVISIONS WHICH THEY BELIEVE SHOULD BE INCLUDED IN TREATY, SUCH AS BLOCK SIZE, DURATION, WORK REQUIREMENTS, FINANCIAL PAYMENTS, ETC. JAPAN URGED COMMITTEE TO CONSIDER SOME PROVISION FOR CONSERVATION OF RESOURCES. FRG STRONGLY ENDORSED NEED FOR SPEEDY COMPULSORY SETTLEMENT OF DISPUTES.

3. UK STATEMENT INDICATED SOME FLEXIBILITY ON EXPLOITATION SYSTEM, PROVIDED IT "ENSURES THE ORDERLY AND EFFECTIVE EXPLOITATION OF THE RESOURCES OF THE INTERNATIONAL SEABED AREA" AND ALSO EXPRESSED FLEXIBILITY ON COMPOSITION OF ASSEMBLY AND COUNCIL, PROVIDED REGIME AND MACHINERY IS OTHERWISE SATISFACTORY. UK DEL ANNOUNCED WITHDRAWAL OF 1971 QUOTA PROPOSAL BUT OFFERED SUPPORT FOR ANY ALTERNATIVE THAT IN EFFECT WOULD PLACE MAXIMUM LIMIT ON SIZE OF AREA WHICH ANY ONE STATE COULD EXPLOIT AT ANY GIVEN TIME. JAPANESE SUGGESTED VIRTUALLY IDENTICAL QUOTA FORMULA. IN ADDITION, FRENCH STATEMENT WAS MILDLY WORDED PROCEDURAL REQUEST THAT COMMITTEE CONSIDER AS IMPORTANT ISSUE RESERVATION OF SEABED AREAS FOR EXPLOITATION AT SOME FUTURE TIME BY LDC'S; A POTENTIAL VARIANT OF QUOTA SYSTEM.

4. COLOMBIA, KENYA, BANGLADESH AND CUBA MADE REFERENCES IN THEIR STATEMENTS TO NEED FOR INTERNATIONAL REGIME TO APPLY TO RESOURCES OF SUPERJACENT WATERS. WHILE CUBA'S REFERENCE TO SUPERJACENT WATERS WAS OBLIQUE, COLOMBIA OPENLY ASSERTED THAT MINERAL AND OTHER RESOURCES

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IN WATERS ABOVE SEABED SHOULD BE COVERED BY REGIME. KENYA REP URGED THAT CONFERENCE CONSIDER INTERNATIONAL REGULATION OF FISHERIES AND POLLUTION IN SUPERJACENT WATERS, BUT SAID THAT HIS DEL WOULD RAISE ISSUE IN APPROPRIATE COMMITTEE. AT BEGINNING OF P.M. SESSION JULY 16, US C-1 REP (RATINER) MADE SHORT INTERVENTION EXPRESSING US CONCERN THAT DELS WERE REFERRING TO SUPERJACENT WATERS IN THEIR GENERAL STATEMENTS AND THAT THIS MATTER SHOULD

MORE PROPERLY BE DEALT WITH IN C-11. HE SUGGESTED THAT SUCH REFERENCES WOULD NOT LEAD TO USEFUL AND FRUITFUL NEGOTIATIONS.

5. THE FOLLOWING DELS EXPRESSED VARIOUS DEGREES OF SUPPORT FOR A PARALLEL LICENSING AND ENTERPRISE SYSTEM, WITH MAJORITY FAVORING PHASED APPROACH IN WHICH LICENSING FUNCTION OF AUTHORITY WOULD EVENTUALLY CEASE TO EXIST ONCE ENTERPRISE HAD FINANCIAL AND TECHNICAL CAPACITY TO EXPLOIT: NIGERIA, KENYA, POLAND, THAILAND, NEPAL, AUSTRIA, SWITZERLAND, SWEDEN AND DENMARK.

6. PORTION OF P.M. SESSION JULY 16 WAS DEVOTED TO STATEMENT BY UNCTAD REP ON ECONOMIC IMPLICATIONS WHICH CLOSELY TRACKED HIS STATEMENT IN PLENARY ON JULY 16. HE STATED THAT BASIC CONCLUSIONS OF SEVERAL UNCTAD DOCUMENTS ON THIS QUESTION PREVIOUSLY DISTRIBUTED TO C-1 WERE FOLLOWING: A) SEABED MINING WOULD BRING DIRECT BENEFITS TO CONSUMERS WHO ARE BY AND LARGE MINERALS-USING INDUSTRIES IN DEVELOPED COUNTRIES. B) AS A RESULT OF SEABED MINING TOTAL EXPORT EARNINGS OF LAND-BASED PRODUCERS WOULD GROW LESS RAPIDLY THAN BEFORE AND MIGHT EVEN DECLINE. C) THIS IMPACT WOULD BE MORE SERIOUS FOR LDC'S. D) COMPENSATORY APPROACH BASED SOLELY ON REVENUES OF AUTHORITY WAS UNWORKABLE SINCE FUNDS WOULD BE INSUFFICIENT. E) IF OTHER LDC'S ARE TO GET SHARE OF SEABED REVENUES THEN PREVENTIVE APPROACH MUST BE ADOPTED. F) PREVENTIVE APPROACH MUST TAKE INTO ACCOUNT BOTH LAND AND SEABED PRODUCTION.

7. US C-1 REP (RATNER) OPENED QUESTION AND ANSWER PERIOD BY NOTING IMPORTANT ROLE ECONOMIC IMPLICATIONS HAS PLAYED IN C-1'S WORK. HE STATED THAT US DEL HAD UNCLASSIFIED

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CERTAIN DIFFICULTIES WITH ASSUMPTIONS UTILIZED IN UNCTAD REPORTS AND CITED AS EXAMPLE UNCTAD SUGGESTION THAT PRIMARILY DEVELOPED COUNTRIES WOULD BENEFIT FROM SEABED PRODUCTION. SINCE METALS TO BE PRODUCED FROM SEABED ARE MAJOR COMPONENTS OF MANUFACTURED GOODS NEEDED BY LDC'S TO DEVELOP HE EMPHASIZED THAT LOWER PRICES WOULD ALSO BENEFIT LARGE MAJORITY OF CONSUMER LDC'S.

8. ADDITIONAL STATEMENTS CONCERNING UNCTAD'S WORK WERE MADE BY CHILE, PERU, BRAZIL, ALGERIA AND INDIA. OF PARTICULAR NOTE WAS INDIA REP'S IDENTIFICATION OF HIS COUNTRY'S INTERESTS AS BOTH CONSUMER AND PRODUCER (OF MANGANESE) AND HIS CONCLUSION THAT IN SHORT RUN IT WAS MORE IMPORTANT TO SUSTAIN PRICE LEVELS THROUGH AUTHORITY'S REGULATION OF PRODUCTION.

STEVENSON

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LAW OF THE SEA, LESS DEVELOPED COUNTRIES, COMMITTEE MEETINGS, MEETING REPORTS, FOREIGN POLICY POSITION, SPEECHES, JOINT VENTURES, EXPLOITATION (NAT URAL RESOURCES), DIPLOMATIC REPRESENTATIONS, MEETING DELEGATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 22 JUL 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974CARACA06880
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740198-0164
From: CARACAS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740730/aaaaazca.tel
Line Count: 170
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION DLOS
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: martinjw
Review Comment: n/a
Review Content Flags:
Review Date: 07 JUN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07 JUN 2002 by thomasv0>; APPROVED <17 JAN 2003 by martinjw>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: DAILY REPORT, COMMITTEE I, JULY 15 AND 16
TAGS: PLOS, OCON, VE, UNCTAD
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005